INCOME TAX MANUAL
INCOME TAX ACT,1922.

...

SECTION 15B.

15B.

Exemption on account of donation for charitable purposes.

The tax shall not be payable by an assessee in respect of any sums paid by him on or after the 1st day of April,1953, as donations to any institution or fund to which this section applies:

Provided that in the case of a company this exemption shall apply only in respect of income-tax, and not in respect of super-tax payable by it:

Provided further that this exemption shall not apply -

(a) if the aggregate of the sums so paid by the assessee is less than two hundred and fifty rupees,

(b) to any sums paid in excess of one twentieth of the assessee's total income as reduced by any portion thereof exempt from tax under any other provisions of this Act, or one hundred thousand rupees, whichever is less.

2. This section applies to any institution or fund established in the taxable territories for a charitable purpose.

(i) the income whereof is exempt under clause(i) of sub-section (3) of section 4,

(ii) which is not express to be for the benefit of any particular religious community,

(iii) which maintains regular accounts of its receipts and expenditure, and

(iv) which is either constituted as a public charitable trust or is registered under the Societies Registration Act, 1860(XXI of 1860),or under section 26 of the Indian Companies Act, 1913,(VII of 1913), or is a university established by law or is any other education institution recognised by Government or by a university or affiliated to any university, or

(v) which is an institution financed wholly or in part by the Government or local authority.

EXPLANATION. - An institution or fund established for the benefit of scheduled castes, backward classes, ~~and~~ scheduled tribes or of women and children shall not be deemed to be an institution or fund expressed to be for the benefit of a religious community within the meaning of clause (ii).

2A. For the removal of doubts, it is hereby declared that in respect of sums paid as donations on or after the 1st day of April,1948, and before the 1st day of April,1953, the provisions of sub.sections(1) and (2) shall apply as if the amendments made by clause (c) of section 3 of the Finance Act, 1953, had not been made.

*exemption is allowed under this section.

3. The amount by which the tax payable by an assessee is reduced on account of an exemption under this section shall not in any case exceed half the amount in respect of which the